

Bulletin No. 10

**TRANSFER FROM ONE CARRIER TO ANOTHER OF GROUP
COVERAGE OF ACCIDENT, HEALTH, OR ACCIDENT AND
HEALTH INSURANCE**

November 16, 1971

It has come to our attention that, in certain instances, group coverage of accident and health insurance benefits has been transferred from one carrier to another in a manner such that only those persons with average or better-than-average health would be covered under the group insurance program of the new carrier. Thus, persons with poorer-than-average health, may or may not be entitled to continuing coverage, on a guaranteed basis. We believe this practice to be discriminatory.

It is our firm belief that persons, with poorer-than-average health at the time of such transfer of coverage, should not be placed in the position of losing their coverage on account of such transfer. Accordingly, as and from this date, any such transfer of coverage must be negotiated on the basis of *all* eligible persons being covered under the group insurance program of the new carrier, irrespective of the current state of health of such persons, provided all such persons are currently covered under the present carrier's group insurance program.

J. O. WIGEN
Commissioner of Insurance